

EXHIBIT B

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK
CHAPTER 11
CASE NO. 08-13555 (JMP)

IN RE:
LEHMAN BROTHERS HOLDINGS, et al.,

Debtors,

CONFIDENTIAL TRANSCRIPT OF
VIDEOTAPED DEPOSITION
OF CHRISTINE PROCOPS

TRANSCRIPT of the stenographic
notes of the proceedings in the
above-entitled matter, as taken by and
before TAB PREWETT, a Registered
Professional Reporter, a Certified
Shorthand Reporter, a Certified LiveNote
Reporter, and Notary Public, held at the
Offices of WEIL GOTSHAL & MANGES LLP, 767
Fifth Avenue, New York, New York, on
Wednesday, May 25, 2011, commencing at
10:50 a.m.

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1 Christine Procops
2 believe today is inaccurate?
3 MR. CLARK: Well, objection to
4 the form. I mean, this deals with
5 very complicated financial documents.
6 MR. SLACK: Spare me. Okay.
7 Spare me the speech. You can object
8 to the form.
9 MR. CLARK: But it's not just
10 form.
11 MR. SLACK: If I hear from the
12 witness now, "This is very
13 complicated," that's exactly the kind
14 of thing judges don't like. So spare
15 me the speech, and let the witness
16 answer the question.
17 MR. CLARK: I think it's an
18 unreasonable question. I will let her
19 answer it.
20 A I don't -- I don't know of
21 anything that is in here that is different.
22 I mean, these -- the swap documents, as I
23 said before, were very complicated. And I
24 relied on a variety of counsels to consult
25 with on what interpretation of the

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1 Christine Procops
2 A Can you repeat that question.
3 (Reporter read back pending
4 question.)
5 A I don't remember getting back
6 to him. No.
7 Q Now, if you look at the second
8 heading in the middle of the page, it says,
9 "Swap, Lehman swap termination."
10 Do you see that?
11 A I do.
12 Q And it says:
13 "Lehman Brothers Holdings,
14 which acts as guarantor, filed for
15 bankruptcy."
16 Do you see that?
17 A I do.
18 Q Does that refresh your
19 recollection that the filing of bankruptcy
20 occurred prior to September 18, 2008?
21 A I don't remember the specific
22 date of when they filed.
23 Q Okay. It says:
24 "Upon sale of special
25 financing, expected as early as the weekend

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1 Christine Procops
2 documents were.
3 Q Well, I would only note that
4 Mr. Sinclair asked you the same question I
5 just did, correct?
6 A He did, according to this
7 E-Mail.
8 Q And he was asking that question
9 of you, correct?
10 A He was.
11 Q And as you sit here today, you
12 don't remember your answer to him; is that
13 correct? Right, that's correct, right?
14 A Yes.
15 Q And reading this document
16 doesn't refresh your recollection of your
17 answer to him, yes or no?
18 A No.
19 Q Okay. I didn't ask that
20 question well. That was my fault.
21 Having read this document, does
22 it refresh your recollection of getting
23 back to Mr. Sinclair and telling him there
24 was anything wrong with the facts as he set
25 out here?

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1 Christine Procops
2 of September 20th to 21st, termination of a
3 swap to standard merger clause would result
4 in termination fee calculated based on
5 standard LIBOR swap termination
6 calculation, not replacement value of swap,
7 would result in approximately 60 million
8 liability for club."
9 Do you see that?
10 A I do.
11 Q And do you have an
12 understanding of what Mr. Sinclair is
13 writing here?
14 A As I said earlier, swap
15 documents were very complicated. This is
16 not a standard vanilla swap. I relied on
17 counsel to interpret the documents. I
18 don't know what the "standard merger
19 clause" is. I don't know what that means.
20 I do know that there were particular
21 sections of our swap that were different
22 than others.
23 Q So putting aside whether it's
24 complicated or not complicated, the answer
25 is, is that you don't have an understanding

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1 Christine Procops
2 see it, "would result in approximately
3 \$60 million liability for club."
4 Q So I apologize because it
5 sounds like maybe I wasn't -- I was on the
6 wrong paragraph --
7 A Paragraph.
8 Q -- when we were talking. So
9 let me -- let me try this again so that we
10 are clear.
11 Looking at the paragraph that
12 starts:
13 "Upon sale of special
14 financing, expected as early as the weekend
15 of September 20th to 21st, the termination
16 of a swap pursuant to standard merger
17 clause would result in termination fee
18 calculated based on standard LIBOR swap
19 termination calculation, not replacement
20 value of swap, would result in
21 approximately 60 million liability for
22 club."
23 Do you see that?
24 A I see that.
25 Q What was your understanding of

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1 Christine Procops
2 set aside were 7 and 6.
3 MR. SLACK: 6, thank you.
4 Q And this -- the mark-to-market
5 value of the two swaps to Lehman was
6 approximately 60 million, correct?
7 MR. CLARK: Objection to the
8 form.
9 A Can you repeat the question.
10 (Reporter read back pending
11 question.)
12 Q Looking at -- let me ask it.
13 Looking at Procops Exhibit 6 and the
14 attachments, the mark-to-market valuations
15 that are attached, isn't it true that the
16 mark-to-market valuation of the Lehman swap
17 as of September, 2008, was calculated to be
18 approximately 60 million?
19 MR. CLARK: Objection to the
20 form.
21 A According to Exhibit Procops 6,
22 the sum of the two numbers on the
23 mark-to-market statement provided by Lehman
24 seems to be approximately 59 million and
25 change.

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1 Christine Procops
2 the circumstances where a termination of
3 the swap would result in a \$60 million
4 liability for the club?
5 MR. CLARK: Objection. Lack of
6 foundation.
7 A I don't recall all of the
8 specifics of the complicated swap
9 documents.
10 Q As you sit here today, do you
11 have an understanding of how the 60 million
12 liability was calculated?
13 A I don't remember or know where
14 these numbers came from.
15 Q Now, you know --
16 MR. CLARK: Objection to the
17 last question. Same objection. Lack
18 of foundation.
19 Q Now, referring back to
20 exhibit -- we can -- I think it's 8, which
21 is the --
22 MR. SLACK: Yes, thank you.
23 Is it 8? Nope, it's not. I'm
24 sorry about that.
25 MR. CLARK: The two you said to

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1 Christine Procops
2 Q Approximately how much?
3 A 59 million and change.
4 Q Yep. Now, take a look down a
5 little further.
6 MR. CLARK: I'm sorry. Which
7 one are you back on?
8 MR. SLACK: I am now back on
9 Procops Exhibit 10.
10 Q Looking at the sub-bullet that
11 says:
12 "GS in process of calculating
13 replacement value, but expected to be in
14 the range of 100 million to 125 million net
15 of 60 million termination fee."
16 Do you see that?
17 A I see that.
18 Q Does GS refer to Goldman Sachs?
19 MR. CLARK: Objection to the
20 form. Lack of foundation.
21 A GS was something we called
22 Goldman Sachs on occasion, yes.
23 Q Well, at this time, at or and
24 September 18th, did Giants Stadium ask
25 Goldman Sachs to prepare replacement value

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1 Christine Procops
2 exposure is.
3 Q What is your understanding
4 of -- when you read this, what is your
5 understanding of what the 60 million hedge
6 exposure that's being referred to here
7 refers to?
8 MR. CLARK: Same objection.
9 A I don't know what Joe is
10 referring to in particular to that number.
11 Q And so when you read this, did
12 you ask Mr. Sinclair what he meant?
13 MR. CLARK: Objection to the
14 form.
15 A I don't remember having this
16 E-Mail exchange with him.
17 Q Did you ever send anything
18 additional to Mr. Sinclair that sent the
19 calculation of the 60 million hedge
20 exposure?
21 MR. CLARK: Objection to the
22 form.
23 A I do not remember.
24 Q Who is Anthony Noto?
25 A He was the former CFO of the

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1 Christine Procops
2 the -- than any marketing person that would
3 have worked for Giants Stadium?
4 A I don't believe there were
5 marketing people at that time.
6 Q Is it fair to say that you, in
7 fact, were the point person at Giants
8 Stadium LLC for the discussions that were
9 occurring with respect to the termination
10 of the Lehman swap?
11 MR. CLARK: Objection to the
12 form.
13 A I would say that I was involved
14 in the conversations.
15 Q Was there -- were you the point
16 person for Giants Stadium LLC with respect
17 to the conversations that included Giants
18 Stadium LLC with respect to termination of
19 the Lehman swap?
20 MR. CLARK: Objection to the
21 form.
22 A I wouldn't consider myself the
23 point person.
24 Q Who was the point person for
25 Giants Stadium LLC with respect to the

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1 Christine Procops
2 NFL.
3 Q Was there anyone at Giants
4 Stadium who was more involved in the
5 termination of the Lehman swaps than you
6 were?
7 A I don't believe so.
8 Q This was a pretty important
9 five days from September 15th to
10 September 20th; was it not?
11 MR. CLARK: Objection to the
12 form.
13 A I think there are a lot of
14 important days.
15 Q Did you think those were
16 important days?
17 A I think they were important.
18 Q Were you more involved in the
19 termination of the Lehman swap than
20 Mr. Mara, John Mara?
21 A Yes.
22 Q Were you more involved than
23 Mr. Tisch?
24 A Yes.
25 Q Were you more involved than

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1 Christine Procops
2 termination of the Lehman swap?
3 MR. CLARK: Objection to the
4 form.
5 A I was responsible for
6 representing the Mara and Tisch interests
7 in that entity.
8 Q And who was the point person
9 for Giants Stadium LLC with respect to the
10 termination of the Lehman swaps?
11 MR. CLARK: Objection to the
12 form. Asked and answered.
13 A I was the financial person
14 responsible for representing the Tisch and
15 Mara interests with regard to financial
16 matters for Giants Stadium LLC.
17 I would not characterize myself
18 as "the point person."
19 Q And why would you not
20 characterize yourself as the point person
21 for Giants Stadium LLC?
22 MR. CLARK: Objection to the
23 form.
24 A Not a term I use.
25 Q Was there any person at Giants

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1 Christine Procops
2 on those calls; is that correct?
3 A That's correct.
4 (Exhibit No. Procops 15, E-Mail
5 chain with the top E-Mail from Andrew
6 Dietrich to Ms. Procops and others,
7 dated September 17, 2008, is marked by
8 the reporter for identification.)
9 Q Putting before you what has
10 been marked as Procops Exhibit 15, which is
11 an E-Mail chain with the top E-Mail being
12 from Andrew Dietrich to you and others,
13 dated September 17, 2008, do you recall
14 receiving this E-Mail?
15 A I don't remember.
16 Q Well, I'd like to focus on the
17 E-Mail actually on -- the E-Mail at the
18 bottom, the first E-Mail, which is from you
19 to Deirdre Lewis at BNY Mellon, with a copy
20 to Andrew Dietrich, which is also dated
21 September 17, 2008.
22 Do you see that E-Mail?
23 A I do.
24 Q Who is Deirdre Lewis?
25 A She was our contact at Bank of

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1 Christine Procops
2 Q The next sentence says:
3 "In short, we must terminate
4 this swap tomorrow to preserve the value of
5 Stad Co.'s (significant) claims against the
6 estate of the Lehman swap counterparty."
7 Do you see that?
8 A I do.
9 Q Why was it that Giants Stadium
10 needed to terminate the swap on
11 September 18th to preserve the value of
12 Stad Co.'s claims against the Lehman
13 estate?
14 A I don't remember all of the
15 details.
16 Q Do you remember any details?
17 A Not particularly, no.
18 Q Well, not particularly, you
19 know, generally, do you remember the
20 details?
21 A I remember that the documents
22 have a lot of provisions in them that we
23 needed to walk through. And I remember
24 that they are complicated, and we needed
25 legal interpretation on a lot of them.

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1 Christine Procops
2 New York.
3 Q And what role did Bank of New
4 York Mellon have with respect to the ARS
5 securities?
6 A They were the trustee in the
7 transaction.
8 Q And did you write the E-Mail
9 that is set forth here?
10 MR. CLARK: Objection.
11 A It appears that it's an E-Mail
12 from me.
13 Q Do you have any reason to doubt
14 that you sent this E-Mail to Ms. Lewis?
15 A No.
16 Q The first sentence says:
17 "We need to brief you and your
18 lawyers tomorrow on developments with our
19 Lehman swap."
20 Do you see that?
21 A I do.
22 Q Did you ever have a call with
23 Ms. Lewis or anyone else at BNY Mellon
24 about the Lehman swap?
25 A I don't remember having a call.

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1 Christine Procops
2 Q The next line says:
3 "We are obtaining bond insurer
4 approval for a short supplemental indenture
5 addressing the matter and want to walk
6 through it."
7 Do you see that?
8 A I do.
9 Q And do you know what that
10 refers to?
11 A No.
12 Q The next line says:
13 "The supplemental indenture
14 will need to be approved and signed by
15 Stad Co. and the trustee tomorrow."
16 Do you see that?
17 A I do.
18 Q Why was it the supplemental
19 indenture needed to be approved and signed
20 by Stad Co. and the trustee on
21 September 18, 2008?
22 MR. CLARK: Objection to the
23 form.
24 A I don't remember.
25 Q The next line says:

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1 Christine Procops
2 "Pursuant to the terms in the
3 indenture, it will require only bond
4 insurer consent, which we are obtaining."
5 Do you see that?
6 A I do.
7 Q And what's your understanding
8 of why the indenture only required bond
9 insurer consent?
10 MR. CLARK: Objection to the
11 form.
12 A I do not know.
13 Q The next line says:
14 "We also will send the
15 necessary legal opinion."
16 Do you see that?
17 A I see that.
18 Q Did Giants Stadium ever send to
19 BNY Mellon a legal opinion in connection
20 with the termination of the swap?
21 A I don't remember.
22 Q It then says:
23 "We can explain background on
24 the phone."
25 Does reading that refresh your

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1 Christine Procops
2 which is a chain of E-Mails, the top E-Mail
3 is from Daniel Champeau to you on September
4 18, 6:43 in the morning.
5 I would like to focus you,
6 though, on the second E-Mail in this chain.
7 Do you recall this E-Mail chain?
8 A I don't remember it. No.
9 Q Let me just identify this also
10 as having the Bates No. GStad LB 20291.
11 The second E-Mail is an E-Mail from you to
12 Lisa Citron at FGIC, Jeffrey Fried at FGIC,
13 and Daniel Champeau, amongst others.
14 Do you recall sending this
15 E-Mail?
16 A I don't remember sending it,
17 no.
18 Q You don't deny sending this
19 E-Mail; do you?
20 A No. It looks like my E-Mail.
21 Q It says, starting off:
22 "We have been informed that we
23 must terminate the Lehman swaps tomorrow to
24 preserve the value of our significant
25 claims against the estate of the Lehman

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1 Christine Procops
2 recollection that you had a phone call with
3 BNY and refreshed your recollection as to
4 anything said on that phone call?
5 A No, it does not.
6 Q The last line says:
7 "Sorry for the short notice.
8 The supplemental indenture is really only a
9 clarification, but it is critical that it
10 be put in place tomorrow."
11 Why was it critical that the
12 indenture supplement be put in place on
13 September 18th?
14 MR. CLARK: Objection to the
15 form.
16 A I don't know.
17 (Exhibit No. Procops 16,
18 Document, Bates No. GStad LB 20291,
19 Chain of E-Mails, the top E-Mail from
20 Daniel Champeau to Ms. Procops on
21 September 18, 6:43 in the morning, is
22 marked by the reporter for
23 identification.)
24 Q Putting before you what has
25 been marked as Procops Exhibit Number 16,

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1 Christine Procops
2 swap counterparty."
3 Who informed you that you had
4 to "terminate the Lehman swaps tomorrow to
5 preserve the value" of "significant claims
6 against the estate of the Lehman swap
7 counterparty"?
8 MR. CLARK: Objection to the
9 form.
10 A I'm sure we had various
11 discussions with our counsel.
12 Q Anyone else?
13 A Not that I remember.
14 Q And I am assuming that reading
15 this E-Mail does not refresh your
16 recollection of the reason that Giants
17 Stadium believed it had to terminate the
18 Lehman swaps on September 18th in order to
19 preserve the value of claims against the
20 Lehman estate; is that correct?
21 A I don't remember any of those
22 dates, no.
23 Q Putting aside the particular
24 date of September -- whether it was
25 September 17, 18, do you recall that, in

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1 Christine Procops
2 question.)
3 A I believe we have asked Goldman
4 Sachs to assist our counsel in preparing
5 certain calculations.
6 Q I put before you what has been
7 marked as Procops Exhibit 18, which is,
8 again, a chain of E-Mails and ask whether
9 you recognize this document.
10 A I don't.
11 (Exhibit No. Procops 18, E-Mail
12 chain, middle E-Mail from Joanne
13 Larkin at Lehman to Ms. Procops, with
14 the subject of Steve Lessing, Bates
15 Nos. GStad LB 58282 and 58283, is
16 marked by the reporter for
17 identification.)
18 Q It has a Bates number, GStad LB
19 58282 and 58283. The middle E-Mail here is
20 from someone by the name of Joanne Larkin
21 from Lehman to you with the subject of
22 Steve Lessing.
23 Did you recognize that Joanne
24 Larkin was Steve Lessing's assistant?
25 A She was.

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1 Christine Procops
2 Q And the E-Mail says:
3 "Steve and Rob are available at
4 1:00 p.m. today. Can you provide the
5 dial-in number information. Thanks."
6 Do you see that?
7 A I do.
8 Q Did you have a conversation
9 with Mr. Taylor and Mr. Lessing on or
10 around September 18th concerning the Lehman
11 swap?
12 A I don't remember.
13 Q Do you recall any conversations
14 with Mr. Lessing concerning the Lehman swap
15 during the time frame of Lehman's
16 bankruptcy and the termination issues
17 arising for Giants Stadium?
18 A No.
19 (Exhibit No. Procops 19, E-Mail
20 chain, Bates Nos. GStad LB 48701 to
21 02, is marked by the reporter for
22 identification.)
23 A Thank you.
24 Q I put before you what has been
25 marked s as Procops Exhibit 19, again,

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1 Christine Procops
2 another E-Mail chain, with the Bates Nos.
3 GStad LB 48701 to 02.
4 Do you recall this set of
5 E-Mails?
6 A No.
7 Q There is an E-Mail, the second
8 E-Mail down from Joseph Shanker to a number
9 of individuals, including some from FGIC.
10 Do you see that?
11 A I do.
12 Q And that E-Mail says:
13 "I have just been informed that
14 the Lehman broker/dealer is preparing for
15 his bankruptcy filing possibly within the
16 next few hours. The effect of that could
17 be to compromise our ability to collect our
18 substantial claim under the swap."
19 Do you see that?
20 A I see that.
21 Q Why was the filing of
22 bankruptcy by the broker/dealer something
23 that could compromise Giants Stadium's
24 ability to collect a claim under the swap?
25 MR. CLARK: Objection to the

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1 Christine Procops
2 form.
3 A The swap documents were very
4 complicated legal documents. We relied on
5 our counsel to interpret the provisions
6 within them.
7 Q As you sit here today, do you
8 know and do you have an understanding of
9 why it is that the filing by the Lehman
10 broker/dealer could compromise Giants
11 Stadium's ability to collect a claim under
12 the swap?
13 A As I sit here today, I do not
14 understand most of the Lehman entities,
15 much less what you just asked me.
16 Could we take a break? I need
17 to go to the lady's room.
18 MR. CLARK: That's a pretty
19 good reason.
20 MR. SLACK: Yes, I am not done
21 with the document, but I said you are
22 the master of ceremonies. We are
23 going to take a break.
24 THE WITNESS: Thank you.
25 THE VIDEOGRAPHER: The time is